

IN THE CHANCERY COURT FOR WILSON COUNTY, TENNESSEE
AT LEBANON

JOSHUA HARVEY RICE,

)

Petitioner

)

v.

)

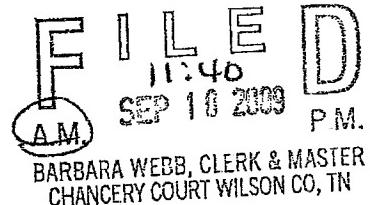
FIRST FINANCIAL INSURANCE
COMPANY, BIKE USA, INC. and
BROWN & BROWN of LEHIGH
VALLEY, INC.,

)

Respondents

)

No. 09299



PETITION FOR DECLARATORY JUDGMENT AND COMPLAINT

I. JURISDICTIONAL STATEMENT

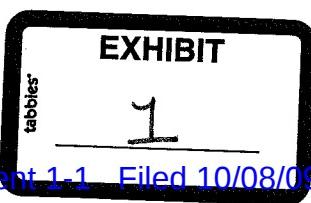
1 Petitioner presents for the Court's determination, pursuant to Rule 57 of the Tennessee Rules of Civil Procedure, a justiciable controversy pursuant to the provisions of I.C.A. § 29-14-101, *et seq* (Declaratory Judgments Act). Petitioner requests the Court's adjudication of the rights and obligations of the parties, in relation to the attached documents from which the controversy arises

2 Petitioner Joshua Harvey Rice (hereinafter "Rice") is a resident of Wilson County, Tennessee.

3 Respondent First Financial Insurance Company (hereinafter "First Financial") is an insurance company with home offices in Springfield, Illinois, and administrative offices at 100 Pearl Street, Hartford, Connecticut 07103.

4 Respondent Bike USA, Inc. (hereinafter "Bike") is a Pennsylvania corporation, which conducted business within the State of Tennessee at the time of this incident

5 Respondent Brown & Brown of Lehigh Valley, Inc (hereinafter "Brown") is a



Pennsylvania corporation located at 268 Brodhead Road, Bethlehem, PA.

6 The events giving rise to this cause of action occurred in Wilson County, Tennessee

7 All of the Respondents are parties to the documents attached to the Petition and have purposefully availed themselves to the jurisdiction of Tennessee Courts Accordingly, venue and jurisdiction are appropriate.

II. FACTUAL ALLEGATIONS

8 Petitioner Rice is the Plaintiff in a personal injury/products liability lawsuit in the case styled *Joshua Harvey Rice v Strongbuilt Imports, LLC and Strongbuilt, Inc*, Civil Action No. 13459, in Wilson County Circuit Court Respondent Strongbuilt is one of the Defendants Petitioner Rice has an interest in the determination of the issues set forth below, including a potential finding that the insurance liability coverage applicable to one or both Defendants in the above-referenced suit will inure to the benefit of the Petitioner

9 Rice's personal injury/products liability lawsuit claim is based upon allegations that, on or about September 13, 2003, Rice was hunting in Wilson County, Tennessee, when a StrongBuilt portable stick ladder, Model PSL 15, which he had purchased at Bass Pro Shops (manufactured by Strongbuilt, Inc.) malfunctioned, causing the center shaft of the ladder to bend and brake, and resulting in Rice sustaining a life-threatening twenty (20) foot fall to the ground below As a result of the ladder breaking and the subsequent fall, Rice sustained severe bodily injuries, requiring two surgeries over the next three months and intensive physical therapy. Rice's damages in the above-reference lawsuit include substantial medical expenses (past, present and future), extreme pain and suffering (past, present and future), lost wages, and loss of earning capacity.

10 Petitioner asserts that, upon identification of Strongbuilt, Inc as the manufacturer of the ladder allegedly sold to him through Bass Pro Shops, Strongbuilt, Inc responded to the Rice's Complaint by asserting its automatic stay defenses pursuant to the United States Bankruptcy Code. Thereafter, Rice sought relief from the automatic stay in order to proceed with the Circuit Court action, and has been permitted to proceed with the Circuit Court action, to the extent that any judgment rendered in the litigation would be satisfied solely from applicable liability insurance coverage.

11 Upon information and belief, one or all of Respondents initially provided a defense to Strongbuilt, Inc in the Circuit Court action, however, has subsequently withdrew its defense, taking the position that the other corporate entity, Strongbuilt Imports, LLC was formed after the manufacture of the ladder in question. In addition, Strongbuilt Imports, LLC is without assets or insurance coverage.

12 Attached as Exhibit 1 to this Petition for Declaratory Judgment and Complaint is an "AGREEMENT" entered on or about June 9, 2003, between Respondent Bike USA, Inc and Respondent Strongbuilt, Inc for the period of June 9, 2003 – June 9, 2004. The AGREEMENT acknowledges an indemnity relationship based upon the absence of direct insurance coverage which would cover liability claims asserted against Strongbuilt, Inc during this time frame. The contract agreement provides that Respondent Bike USA, Inc agrees and binds itself that it shall provide in its liability insurance coverage the designation of Strongbuilt, Inc "... as an additional insured on its products liability insurance policy as it exists now, or as it may be changed in the future, during the term of this contract."

13 Attached as Exhibit 2 to this Petition for Declaratory Judgment and Complaint is the Declaration Sheet and Policy of Insurance issued through the Respondent First Financial

Insurance Company (Policy No HGL0003348), designating the named insured as "Bike USA" for commercial general liability, including products claims, and designating as "ADDITIONAL INSURE – VENDORS," the following: "Any vendor for whom the insured has agreed to provide such insurance in a written contract "

14 Attached as Exhibit 3 to this Petition for Declaratory Judgment and Complaint is a "CERTIFICATE OF LIABILITY INSURANCE" produced by Respondent Brown. As indicated on the certificate of insurance, Brown, as the producer of the certificates of insurance, represented that Strongbuilt, Inc is an additional insured

15 In producing the certificates of liability insurance, Brown was acting in the course of its business and/or in a transaction in which it has a pecuniary interest;

III. PETITIONER'S CLAIMS AND REQUESTS FOR RELIEF

16 Petitioner requests the Court's declaratory judgment that:

A The claims asserted in the Circuit Court action described above accrued within the period of coverage described in the attached documents (Exhibit 1-2).

B The commercial general liability policy issued to the insured, Bike USA, by the insurer, First Financial Insurance Company, shall be applicable to the personal injury claim of Petitioner Rice, which occurred on September 13, 2003, as a result of the product manufactured and/or distributed by Strongbuilt, Inc.

C No exclusions set forth within the attached policy would preclude coverage for the accrual of a claim upon a previously sold item, within the policy period shown on Exhibit 2.

D The portable stick ladder, Model PSL 15, described is a Strongbuilt product

E A declaration that the attached documents compel both a duty to defend and satisfy claims and allegations against Strongbuilt, Inc for product liability-related injuries which occurred, and/or accrued, within the period of policy coverage, specifically on September 13, 2003.

F Such further and additional relief to which he may be entitled.

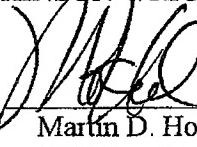
G Respondent Brown & Brown of Lehigh Valley, Inc. is designated as a party, entitled to notice of the pendency of the present claim, pursuant to T C A § 29-14-107, as well as for its interest in this declaration in light of its certificate of insurance attached as Exhibit

3

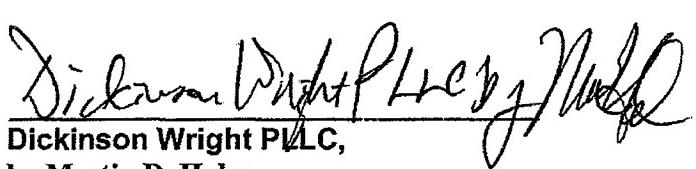
Respectfully submitted,

DICKINSON WRIGHT PLLC

By:


Martin D. Holmes, #12122
424 Church Street, Suite 1401
Fifth Third Center
Nashville, TN 37219
(615) 244-6538

Dickinson Wright PLLC is surety for all costs in this cause.


Dickinson Wright PLLC,
by Martin D. Holmes

NASHVILLE E 38537-1 313225

TO

AGREEMENT

This agreement ("Agreement") entered into effective on this 9th day of June, 2003, by and between Bike, USA, Inc. ("Bike"), represented herein through its duly authorized officer and StrongBuilt, Inc. ("StrongBuilt"), represented herein through its duly authorized officer.

WITNESSETH

WHEREAS StrongBuilt has agreed to purchase deer stands and related hunting equipment from Bike for the period of June 9, 2003 through June 9, 2004; and in order to distribute such equipment to national, regional and local retail stores; and

WHEREAS the national and regional retail stores have required evidence of product liability insurance to be in effect on the products they purchase from StrongBuilt as distributor and Bike as importer; and

WHEREAS without product liability insurance in force, StrongBuilt would be unable to distribute the goods and place them for sale with the national and regional retailers; and

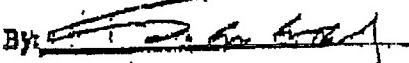
WHERE Bike has agreed to name StrongBuilt as an additional insured with its product liability insurer in order to facilitate the distribution and sale of the merchandise, and to add Bass Pro Shops, Inc. companies and Academy, Inc. as additional insureds;

NOW, THEREFORE in order to allow the sale of goods from Bike to StrongBuilt to take place pursuant to this Agreement and to facilitate the placement of goods for sale in retail stores requiring product liability insurance, Bike by these presents agrees and binds itself to add StrongBuilt as an additional insured on its product liability insurance policy as it exists now, or as it may be changed in the future, during the term of this contract. Bike agrees to communicate with its insurer and require that the policy add StrongBuilt as an insured pursuant to the terms of the insurance contract in force during the term of this Agreement.

In witness whereof, the parties have subscribed their names below, through their authorized representatives.

FILED
SEP 10 2003
A.M.
BARBARA WEBB, CLERK & MATER
CHANCERY COURT WILSON CO., I.

Bike, USA, Inc.

By: 

STRONGBUILT, INC.

By: 

IN LIEU OF INDEX TO PAGES

EXHIBIT

Exhibit
1

MDJ0001

BIKUS

Policy Number HGL0003348



COMMON POLICY DECLARATIONS

Renewal of 0501

FILE
F 11:40
SEP 10 2003
P.M.

FIRST FINANCIAL INSURANCE COMPANY

Home Office: Springfield, Illinois
Administrative Office: 100 Pearl Street, Hartford, CT 06103
Claims Office: 238 International Road, Burlington, NC 27215

BARBARA WEBB, CLERK & MASTER
CHANCERY COURT WILSON CO, TN

Item 1. Named Insured and Mailing Address

Bike USA ✓
2811 Brodhead Road
Bethlehem PA 18020

All Risks, Ltd.
1100 East Hector Ave
Suite 315
Conshohocken PA 19428
✓ Code: 0601

T#0962-HGL0003348-03

Item 2 Policy Period Effective Date: 06/09/2003 Expiration Date: 06/09/2004
at 12:01 A.M., Standard Time at your mailing address shown above

Item 3. In return for the payment of the premium, and subject to all the terms of this policy, we agree with you to provide the insurance as stated in this policy.

This policy consists of the following coverage parts for which a premium is indicated. Where no premium is shown, there is no coverage. This premium may be subject to adjustment.

Coverage Part(s)	Premium
Commercial General Liability	\$ 77,500.00
	\$
TOTAL TAXES & FEES - \$2,840.00	\$
PA TAX - \$2,325.00	\$
STAMP FEE - \$ 15.00	\$
POLICY FEE - \$500.00	Total Policy Premium or Deposit Premium \$ 77,500.00

Other Charges (If applicable)

The insurer which has issued this insurance is not licensed by the Pennsylvania Insurance Department and is subject to limited regulation. This insurance is NOT covered by the Pennsylvania Property and Casualty Insurance Guaranty Association. Placed by All Risks, Ltd., 2555 Kingston Rd, Ste. 250, York, PA 17402.

Premium is: Flat Adjustable

Policy Minimum Premium \$ *

In the event you cancel this policy, we will retain a minimum premium. * (See IFG-B-0035 0501)

Item 4. Forms and Endorsements applicable to this policy:
See "Listing of Forms and Endorsements" (IFG-I-0150)

Item 5. Form of Business. Individual Partnership Joint Venture
 Limited Liability Company Other Organization, including a Corporation

Business Description:
Bike Importer

THESE DECLARATIONS TOGETHER WITH THE COMMON POLICY CONDITIONS AND COVERAGE FORM(S) AND ANY ENDORSEMENT(S), COMPLETE THE ABOVE NUMBERED POLICY.

Countersigned:

Date: _____ By: _____ Authorized Representative
Issue Date: 07/24/2003

IFG-I-0100 0301

PRODUCER

Page 1 of 1

EXHIBIT

tables

2



POLICY NUMBER: HGL0003348

EFFECTIVE DATE: 06/09/2003

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LISTING OF FORMS AND ENDORSEMENTS

This listing forms a part of the following:

COMMERCIAL GENERAL LIABILITY POLICY

<u>NUMBER</u>	<u>TITLE</u>
INTERLINE	
IFG-I-0001 (11-00)	COVER PAGE
IFG-I-0100 (03-01)	COMMON DECLARATIONS
IFG-I-0163 (11-02)	SCHEDULE OF TERRORISM PREMIUMS
IFG-I-0403 (11-00)	SERVICE OF SUIT-PA
IL0017 (11-98)	COMMON POLICY CONDITIONS
IL0021 (04-98)	EXCLUSION NUCLEAR ENERGY
IL0246 (09-00)	PA CANCELLATION AND NONRENEWAL
IL0910 (01-81)	PENNSYLVANIA NOTICE
GENERAL LIABILITY	
IFG-G-0002-DL (03-01)	GEN. LIAB. DECLARATIONS
CG0001 (07-98)	GENERAL LIAB. COVERAGE FORM
CG0057 (09-99)	INSURING AGREEMENT AMENDMENT
IFG-G-0052 (11-01)	DEDUCTIBLE LIABILITY INSURANCE
CG2015 (11-88)	ADDITIONAL INSURED-VENDORS
CG2133 (11-85)	EXCLUSION-DESIGNATED PRODUCTS
CG2136 (01-96)	EXCLUSION-NEW ENTITIES
CG2139 (10-93)	CONTRACTUAL LIAB. LIMITATION
CG2147 (07-98)	EXCLUSION EMPLOYMENT PRACTICES
CG2149 (09-99)	TOTAL POLLUTION EXCLUSION
CG2175 (12-02)	EXCLUSION TERRORISM
IFG-G-0018 (07-01)	Hired-Non-Owned Auto Liab.
GSG-G-010 (03-99)	ADDITIONAL INSUREDS
GSG-G-015 (01-00)	PROFESSIONAL LIAB. EXCLUSION
GSG-G-016 (01-00)	EXCLUSION-AIRCRAFT, ET. AL.
GSG-G-017 (01-00)	CROSS LIABILITY EXCLUSION
GSG-G-021 (04-00)	EXCLUSION-INTELLECTUAL PPTY
IFG-G-0036 (08-01)	EXCL-FUNGS, DRY-ROT DECAY

Issue Date: 07/24/2003

Page 1 of 2

IFG-I-0150 1100

LISTING OF FORMS AND ENDORSEMENTS (cont.)

<u>NUMBER</u>	<u>TITLE</u>
IFG-G-0039 (05-01)	MINIMUM PREMIUM
BG-G-005 (02-94)	EXCL-PUNITIVE DAMAGE
BG-G-119 (02-94)	DEFINE EMPLOYEE

Additional Forms

BG-G-007-PA 999 Exclusion - Asbestos, Silica Dust, Toxic Substance
IFG-I-0152 1100 Composite Rate Endorsement

Issue Date: 07/24/2003

IFG-I-0150 1100

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POLICY NUMBER: HGL0003348

SCHEDULE OF TERRORISM PREMIUMS

Commercial General Liability

If item is checked below, the portion of your policy premium for Terrorism coverage is shown at right.	Terrorism premium
<input checked="" type="checkbox"/> Terrorism coverage is excluded as per form(s) attached to the policy.	\$0.
<input type="checkbox"/> Terrorism coverage applies as per form(s) attached to the policy.	

Per Terrorism Risk Insurance Act of 2002, the portion of your premium that applies to Terrorism coverage is shown in the schedule above. This amount is part of and not in addition to your policy premium.

DISCLOSURE OF FEDERAL PARTICIPATION IN PAYMENT OF TERRORISM LOSSES

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 90% of covered terrorism losses exceeding the statutorily established deductible paid by the insurer. Should a covered event of foreign terrorism occur, all policyholders may be surcharged an additional amount of no greater than 3% of the policy's earned premium by order of the Secretary of the Treasury to reimburse the federal government for its portion of a terrorism loss.

Policy Number: HGL0003348



COMMERCIAL GENERAL LIABILITY DECLARATIONS

Named Insured: Bike USA

Effective Date: 06/09/2003

Item 1. LIMITS OF INSURANCE

\$ 2,000,000	General Aggregate Limit (Other Than Products-Completed Operations)
\$ 1,000,000	Products-Completed Operations Aggregate Limit
\$ 1,000,000	Personal and Advertising Injury Limit
\$ 1,000,000	Each Occurrence Limit
\$ 50,000	Damage To Premises Rented To You Limit (Any One Premises)
\$ 5,000	Medical Expense Limit (Any One Person)

Item 2. RETROACTIVE DATE (CG 00 02 only):

Coverage A of this Insurance does not apply to "bodily injury" or "property damage" which occurs before the Retroactive Date, if any, shown here: NONE
(Enter Date or "None" if no Retroactive Date applies.)

Item 3. LOCATION OF ALL PREMISES YOU OWN, RENT OR OCCUPY:

1. 2811 Brodhead Road
Bethlehem PA 18020
Loc 1: 013
2.

See Supplemental Schedule of Locations (IFG-I-0140)

Item 4. FORM(S) AND ENDORSEMENT(S) made a part of this policy at time of issue:

See Listing of Forms and Endorsements (IFG-I-0150)

Item 5. CLASSIFICATIONS AND RATES See Schedule of Classifications and Rates (IFG-G-0003)

Classification	Code No.	Premium Base	Rate		Advance Premium	
			All Other	Prod.-C. Ops.	All Other	Prod.-C. Ops.
Composite Rate Endorsement See IFG-I-0152 1100					\$75,500	

Premium is adjustable.

Premium is flat (not adjustable)

Item 6. PREMIUMS

\$ 77,500.00 Total Coverage Part Premium
\$ Coverage Part Minimum Premium (if applicable)

Item 7. AUDIT PERIOD (If Applicable)

Annually

Semi-Annually

Quarterly

Monthly

These Declarations are part of the Policy Declarations containing the name of the insured and the policy period.

IFG-G-0002-DL 0301

Page 1 of 1



POLICY NUMBER: HGL0003348

EFFECTIVE DATE: 08/09/2003

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

COMPOSITE RATE ENDORSEMENT**Schedule**

LINE OF BUSINESS		Commercial General Liability			
Class	Description	Exposure Units	Exposure Description (Rate applies per ___ of Exposure Units)	Rate	Deposit Premium
Premises-Operations					
51370	Bicycle Mfg-Not Motorized	\$3,000,000	Per \$1,000 of Sales ✓	\$25.00000	\$75,000
44444	Hired and Non Owned Auto Liability	Flat	Flat	Flat	\$2,500
			Per ___ of	\$	\$
Products-Completed Operations					
51370	Bicycle Mfg-Not Motorized	Included	Included	Included	Included
			Per ___ of	\$	\$
			Per ___ of	\$	\$
			Minimum Premium	See IFG-G-0039 0501	

- A. The premium shown in the Schedule is a deposit premium only. The exposure units shown in the Schedule are an estimate. Upon expiration of the policy, we will compute the earned premium by applying to the composite rate shown above the actual amount of the exposure units as developed by final audit divided by the number shown in the Exposure Description. The audited annual premium will not be less than the Minimum Premium shown in the

Schedule above. Flat premiums are not subject to composite rate adjustment and are not part of, but are in addition to, the Minimum Premium.

- B. Audit premiums are due and payable on notice to the first Named Insured.
- C. The first Named Insured must keep records of the information we need for premium computation and send us copies at such times as we may request.

POLICY NUMBER:HGL0003348

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**DEDUCTIBLE LIABILITY INSURANCE
DEDUCTIBLE APPLIES TO DAMAGES, DEFENSE COSTS AND SUPPLEMENTARY PAYMENTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

Coverage	SCHEDULE	
	Amount and Basis of Deductible PER CLAIM OR	PER OCCURRENCE OR OFFENSE
Bodily Injury Liability	\$	\$
OR		
Property Damage Liability	\$	\$
OR		
Bodily Injury Liability and/or Property Damage Liability Combined	\$	\$
OR		
Personal and Advertising Injury Liability	\$	\$
OR		
Bodily Injury Liability, Property Damage Liability and/or Personal and Advertising Injury Liability Combined	\$ 10,000 ✓	\$
Aggregate Deductible amount:		\$

(No aggregate deductible applies if left blank.)

APPLICATION OF ENDORSEMENT (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all applicable coverages, however caused):

A. Our obligation under the Bodily Injury Liability, Property Damage Liability and Personal and Advertising Injury Liability Coverages to pay:

1. Damages on your behalf;
2. Defense Costs; and
3. Supplementary Payments

applies only to the amount in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.

Our obligation to pay applies only to the difference between the deductible amounts shown above (less any amounts paid for Defense Costs or Supplementary Payments within the deductible amount, if applicable), and the limits of insurance stated in the policy.

B. You may select a deductible amount on either a per claim or a per "occurrence" or offense basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. Subject to paragraph D. below, the deductible amount stated in the Schedule above applies as follows:

1. PER CLAIM BASIS. If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 20 15 11 88

ADDITIONAL INSURED - VENDORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Policy Number: HGL0003348

Name of Person or Organization (Vendor):

Any vendor for whom the insured has agreed to provide such insurance in a written contract.

Your Products:

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

WHO IS AN INSURED (Section II) is amended to include as an insured any person or organization (referred to below as vendor) shown in the Schedule, but only with respect to "bodily injury" or "property damage" arising out of "your products" shown in the Schedule which are distributed or sold in the regular course of the vendor's business, subject to the following additional exclusions:

1. The insurance afforded the vendor does not apply to:
 - a. "Bodily Injury" or "property damage" for which the vendor is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the vendor would have in the absence of the contract or agreement;
 - b. Any express warranty unauthorized by you;
 - c. Any physical or chemical change in the product made intentionally by the vendor;
 - d. Repackaging, unless unpacked solely for the purpose of inspection, demonstration, testing

or the substitution of parts under instructions from the manufacturer and then repackaged in the original container;

- e. Any failure to make such inspections, adjustments, tests or servicing as the vendor has agreed to make or normally undertakes to make in the usual course of business in connection with the distribution or sale of the products;
- f. Demonstration, installation, servicing or repair operations, except such operations performed at the vendor's premises in connection with the sale of the product;
- g. Products which, after distribution or sale by you, have been labeled or relabeled or used as a container, part or ingredient of any other thing or substance by or for the vendor;
2. This insurance does not apply to any insured person or organization, from whom you have acquired such products or any ingredient, part or container, entering into, accompanying or containing such products.

* HGL0003348

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 33 11 85

EXCLUSION - DESIGNATED PRODUCTS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

SCHEDULE

Designated Products:

Guns
Ammunition

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

This insurance does not apply to "bodily injury" or "property damage" included in the "products-completed operations hazard" and arising out of any of "your products" shown in the Schedule.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CG 21 36 01 96

EXCLUSION - NEW ENTITIES

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

Paragraph 4. of WHO IS AN INSURED (Section II) does not apply

CL 809 (1-96)
CG 21 36 01 96

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Page 1 of 1

Policy Number: HGLQ003348

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND/OR NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

SCHEDULE

Coverage	Additional Premium
HIRED AUTO LIABILITY	\$ 2,500
NON-OWNED AUTO LIABILITY	\$ Included

(If no entry appears above, information to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

- A. Insurance is provided only for those coverages for which a specific premium charge is shown in the Declarations or in the Schedule above.

1. HIRED AUTO LIABILITY:

The insurance provided under COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE (Section I - Coverages) applies to "bodily injury" or "property damage" arising out of the maintenance or use of a "hired auto" by you or your "employees" in the course of your business.

2. NON-OWNED AUTO LIABILITY:

The insurance provided under COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE (Section I - Coverages) applies to "bodily injury" or "property damage" arising out of the use of any "non-owned auto" in the course of your business by any person other than you.

B. EXCLUSIONS

Exclusion g Aircraft, Auto or Watercraft under Coverage A - Bodily Injury and Property Damage, 2. Exclusions is deleted and replaced by the following.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" (other than a "hired auto" or a "non-owned auto" if coverage applies for such autos as

indicated in the Schedule above) or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of the operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

In addition, the following exclusions are added with respect to "hired autos" and "non-owned autos":

This insurance does not apply to:

COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - INTELLECTUAL PROPERTY

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**

This insurance does not apply to injury or damage that results from the actual or alleged infringement, or violation of any intellectual property rights or laws, including but not limited to:

- | | |
|---------------|---------------------|
| 1. Copyright; | 3. Trade dress; |
| 2. Patent; | 4. Trade name; |
| | 5. Trade secret; or |
| | 6. Trademark. |

Guilford Specialty Group, Inc.
100 Pearl Street
Hartford, CT 06103
Voice: 860-723-4150
800-328-8719
Fax: 860-723-4151



GENERAL LIABILITY BINDER

Date: 6/10/08
Underwriter:
Applicant: Bike USA
Principal Address: 2811 Broadhead Rd.
Bethlehem, PA 18020
Producer: All Risks of York, PA
Attention: Reese Davis
Policy Period: 6/9/03 to 6/9/04
Assigned Policy Number: HGL 0003348
Expiring Policy Number:
Limits of Liability:
General Aggregate: \$2,000,000
Products/Comp Ops Aggregate: \$1,000,000
Personal/Advertising Injury: \$1,000,000
Per Occurrence: \$1,000,000
Fire Legal Liability (any one fire): \$ 50,000
Medical Payments (any one person): \$ 5,000
Deductible: \$10,000 Per Claim BI, PD, PI, AI and ALAE
Policy Form: General Liability - Occurrence CG 00 01 07 98
Other Coverage (coverage, limits, deductible): Hired & Non-Owned Auto Liability
Insurance Company: The Burlington Insurance Company Non-Admitted
Advance Premium (for policy period): \$75,000
Minimum Earned Premium: \$ 2,500 Hired & Non-Owned
\$77,500 see list of endorsements attached
Premium Subject to Audit: Yes
Premium Payment Terms: Annual Pay Down Payment: 100%
Premium Payment Is due with: June Account Current payment
Inspection Required: None

ENDORSEMENTS/EXCLUSIONS:

Mandatory State Amendments as applicable.

BG-G-007 0999	Exclusion - Asbestos, Silica Dust, Toxic Substance
IFG-G-0038 0801	Exclusion - Fungus, Dry-Rot or Decay
CG 21 49 09 99	Total Pollution Exclusion Endorsement
GSG-G-021 0400	Exclusion - Intellectual Property
BG-G-005 0492	Exclusion - Punitive Damages
GSG-G-017 0100	Exclusion - Cross Liability
IFG-G-0039 0501	Minimum Premium
BG-G-119 0294	Definition of Employee
IFG-G-0052 1101	Deductible Liability Insurance
CG 21 36 01 98	Exclusion - Non Entities
CG 21 39 10 93	Contractual Liability Limitation
CG 21 47 07 98	Exclusion - Employment Related Practices
IL 00 17 11 98	Common Policy Conditions
IL 00 21 04 98	Exclusion - Nuclear Energy
CG 00 57 09 99	Amendment of Insuring Agreement - Known Injury or Damage
CG 2015 11 88	Additional Insured- Vendors Where Required by Contract Agreement or Permit
GSG G 010 0399	Additional Insureds by Contract Agreement or Permit
GSG G 015 0100	Professional Liability Exclusion
GSG G 016 0100	Aircraft Products and Grounding Exclusion
CG 21 33 11 85	Exclusion- Designated Products (guns and ammunition)
IFG G 0018 07 01	Hired & Non Owned Auto Liability
IFG I 0152 1100	Composite Rate Endorsement- rate:\$25 per \$1,000 sales estimated at \$3,000,000
CG 21 75 12 02	Exclusion of Certified Acts of Terrorism and Other Acts of Terrorism
IFG I-0163 1102	Schedule of Terrorism Premiums

Special Disclosure on Terrorism:

The applicant has rejected coverage made available under Terrorism Risk Insurance Act of 2002. Premium for such coverage would have been an additional 5% of the Premium shown on Page 1 or \$250 (whichever is greater). Form CG 21 75 12 02, Exclusion of Certified Acts of Terrorism and Other Acts of Terrorism applies.

Per Terrorism Risk Insurance Act of 2002, the United States Government will pay a share of losses caused by certified acts of terrorism. The federal share is 80% of covered terrorism losses exceeding the statutorily established deductible paid by the insurer.

PLEASE NOTE:

This Binder is subject to the following:

Receipt of an application signed by the Insured within ten (10) days of your request to bind.

Hired & Non- Owned questionnaire completed within 10 days of binding

If this is a Quote, it will expire without further notice on June 9, 2003.

Please make checks payable to the insurance company named on Page 1 of this document and direct payments to the appropriate address as follows: The Burlington Insurance Co., PO Box 65756, Charlotte, NC 28265-0756 or First Financial Insurance Co., PO Box 65750, Charlotte, NC 28265-0750 or Guliford Insurance Co., 238 International Road, Burlington, NC 27215.

This Binder supersedes any previous Quote or Binder for this Applicant.

If this Policy is Issued on a Non-Admitted Basis, you must add all applicable Fees & Taxes to the quoted premium and are responsible for their filing. This Policy may be subject to the Surplus Lines Laws in your State. You should make every effort to comply with any special provisions and regulations of your State.

Countersignature fees, if any, are not included and will be deducted from commission.

Please read all terms and conditions shown above carefully as they may not conform to the specifications shown in your submission.

09/01/2003 21:03 13187450475
06/11/2003 11:27 16108686335

OFFICE

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Client#: 8281

BIKUS

ACORD CERTIFICATE OF LIABILITY INSURANCE

PRODUCER
BROWN & BROWN OF LV, INC.
P O BOX 25001
LAWRENCE VALLEY, PA 15002-5001
TEL 412-2227

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERNS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INVENTOR
Bikq USA Inc.
2811 Broadhead Rd.
Bethlehem, PA 18020

INSURER: BURLINGTON INSURANCE COMPANY

INSURER B

REURER C

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ESTATE PLANNING

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THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN ADOPTED BY PAID CLAIMS.

POLICY INFORMATION		POLICY NUMBER		POINT OF INSURANCE DATE PREVIOUS TO THIS POLICY	POLICY EXPIRATION DATE (IMMEDIATE)	LIMITS
TYPE OF INSURANCE		HGL0003348		08/09/03	08/09/04	EACH OCCURRENCE \$1,000,000
GENERAL LIABILITY						FIRE DAMAGE (EXCL. B&I) \$50,000
<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						MED EXP (EXCL. ONE PERSON) \$5,000
<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR						PERSONAL & ADVT INJURY \$1,000,000
						GENERAL AGGREGATE \$2,000,000
						PRODUCTS - LIABILITY ADD \$1,000,000
HIGH AGGREGATE LIMIT APPLIES PER:						
POLICY <input type="checkbox"/> PRO- JECT <input type="checkbox"/> LOC						
AUTOMOBILE LIABILITY						COMBINED SINGLE LIMIT (EX. ACCIDENT) \$
<input type="checkbox"/> ANY AUTO						BODY INJURY (Per person) \$
<input type="checkbox"/> ALL OTHER AUTOS						BODY INJURY (Per accident) \$
<input type="checkbox"/> SCHEDULED AUTOS						PROPERTY DAMAGE (Per accident) \$
<input type="checkbox"/> HIRED AUTOS						AUTO ONLY - EX ACCIDENT \$
<input type="checkbox"/> NON-OWNED AUTOS						OTHER THAN AUTO <input type="checkbox"/> EX-ACC \$
GENERAL LIABILITY						<input type="checkbox"/> AGG \$
<input type="checkbox"/> ANY AUTO						<input type="checkbox"/> EACH OCCURRENCE \$
EXCESS LIABILITY						<input type="checkbox"/> AGGREGATE \$
<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE						<input type="checkbox"/> RETENTION \$
DEDUCTIBLE						
<input type="checkbox"/> RETENTION \$						
WORKERS COMPENSATION AND EMPLOYER LIABILITY						WD STATUS INJURY LIMIT 10TH FEL \$
						EL EACH ACCIDENT \$
						EL DISEASE - EX. EMPLOYEE \$
						EL DISEASE - POLICY LIMIT \$
OTHER						

DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS
The following is additional insured.

CERTIFICATE HOLDER	ADDITIONAL INSURER/INSURER LETTER	CANCELLATION
StrongBuild Inc PO Box 157 Waterproof, LA 71375		SHOULD ANY OF THE REASONS DESCRIBED POLICY BE CANCELLED BEFORE THIS IS PRESENTED BATH TUBS, THE ISSUING INSURER WILL ENHAVOR TO MAIL <u>15</u> DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER EXHARDED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER'S AGENTS OR REPRESENTATIVES.
		AUTHORIZED REPRESENTATIVE <u>John J. Hargrave</u>

NOTICE



"If you have a disability and require assistance, please call (615) 466-5063."

Thank you

STATE OF TENNESSEE 15th JUDICIAL DISTRICT CHANCERY COURT	SUMMONS	CASE FILE NUMBER 09299
PLAINTIFF JOSHUA HARVEY RICE	DEFENDANT FIRST FINANCIAL INSURANCE COMPANY, BIKE USA, INC. and BROWN & BROWN of LEHIGH VALLEY, INC.	
TO: BROWN & BROWN OF LEHIGH VALLEY, INC. <i>Personal Service</i> SERVE: COREY T. WALKER, Treasurer 220 S RIDGEWOOD AVENUE - DAYTONA BEACH FL 32114		
YOU ARE HEREBY SUMMONED TO DEFEND A CIVIL ACTION FILED AGAINST YOU IN CHANCERY COURT, WILSON COUNTY, TENNESSEE. YOUR DEFENSE MUST BE MADE WITHIN THIRTY (30) DAYS FROM THE DATE THIS SUMMONS IS SERVED UPON YOU. YOU ARE DIRECTED TO FILE YOUR DEFENSE WITH THE CLERK OF THE COURT AND SEND A COPY TO THE PLAINTIFF'S ATTORNEY AT THE ADDRESS LISTED BELOW. IF YOU FAIL TO DEFEND THIS ACTION BY THE ABOVE DATE, JUDGMENT BY DEFAULT CAN BE RENDERED AGAINST YOU FOR THE RELIEF SOUGHT IN THE COMPLAINT.		
Attorney for plaintiff: Martin D. Holmes Dickinson Wright PLLC Fifth Third Center, Suite 1401 424 Church Street Nashville, TN 37219-2392 (615) 244-6538	DATE ISSUED & ATTESTED <i>Sept 10, 2009</i> Barbara Webb, Clerk & Master By: <i>Beresa Hays</i> Deputy Clerk	
NOTICE OF DISPOSITION DATE The disposition date of this case is twelve months from date of filing. The case must be resolved or set for trial by this date, or it will be dismissed by the court for failure to prosecute pursuant to T.R.C.P 41.02 and Local Rule 37. If you think the case will require more than one year to resolve or set for trial, you must send a letter to the Chancery Court Clerk at the earliest practicable date asking for an extension of the disposition date and stating your reasons. Extensions will be granted only when exceptional circumstances exist		
TO THE SHERIFF: Please execute this summons and make your return within thirty days of issuance as provided by law	DATE RECEIVED Sheriff	

RETURN ON PERSONAL SERVICE OF SUMMONS

I hereby certify and return that I served this summons together with the complaint as follows:

DATE OF PERSONAL SERVICE:

Sheriff

By: _____

RETURN ON SERVICE OF SUMMONS BY MAIL

I hereby certify and return that on the _____ day of _____, 20_____, I sent, postage prepaid, by registered return receipt mail or certified return receipt mail, a certified copy of the summons and a copy of the complaint in case # _____ to the defendant _____, on the _____ day of _____, 20_____. I received the return receipt, which had been signed by _____ on the _____ day of _____, 20_____. The return receipt is attached to this original summons to be filed by the Chancery Court Clerk

Sworn to and subscribed before me on this _____ day of _____.

Signature of plaintiff, plaintiff's attorney or other person authorized by statute to serve process

My Commission Expires: _____

NOTICE OF PERSONAL PROPERTY EXEMPTION

TO THE DEFENDANT(S):

Tennessee law provides a four thousand dollar (\$4,000.00) debtor's equity interest personal property exemption from execution or seizure to satisfy a judgment. If a judgment should be entered against you in this action and you wish to claim property as exempt, you must file a written list, under oath, of the items you wish to claim as exempt with the clerk of the court. The list may be filed at any time and may be changed by you thereafter as necessary; however, unless it is filed before the judgment becomes final, it will not be effective as to any execution or garnishment issued prior to the filing of the list. Certain items are automatically exempt by law and do not need to be listed; these include items of necessary wearing apparel (clothing) for your self and your family and trunks or other receptacles necessary to contain such apparel, family portraits, the family Bible, and school books. Should any of these items be seized you would have the right to recover them. If you do not understand your exemption right or how to exercise it, you may wish to seek the counsel of a lawyer. Mail list to: Clerk & Master, Wilson County Courthouse, 228 E Main, Lebanon, TN 37087. Please state file number on list.

ATTACH
RETURN
RECEIPT
HERE
(IF APPLICABLE)

CERTIFICATION (IF APPLICABLE)

I, Barbara Webb, Clerk of the Chancery Court in the State of Tennessee, Wilson County, do certify this to be a true and correct copy of the original summons issued in this case

Barbara Webb, Clerk & Master

By: _____
D C & M